



FOR FURTHER INFORMATION:  
 (816) 285-7000  
 Media Contact: Jacqueline Michael-Midkiff 816-285-7001  
 Internet address: <http://www.bls.gov/ro7>

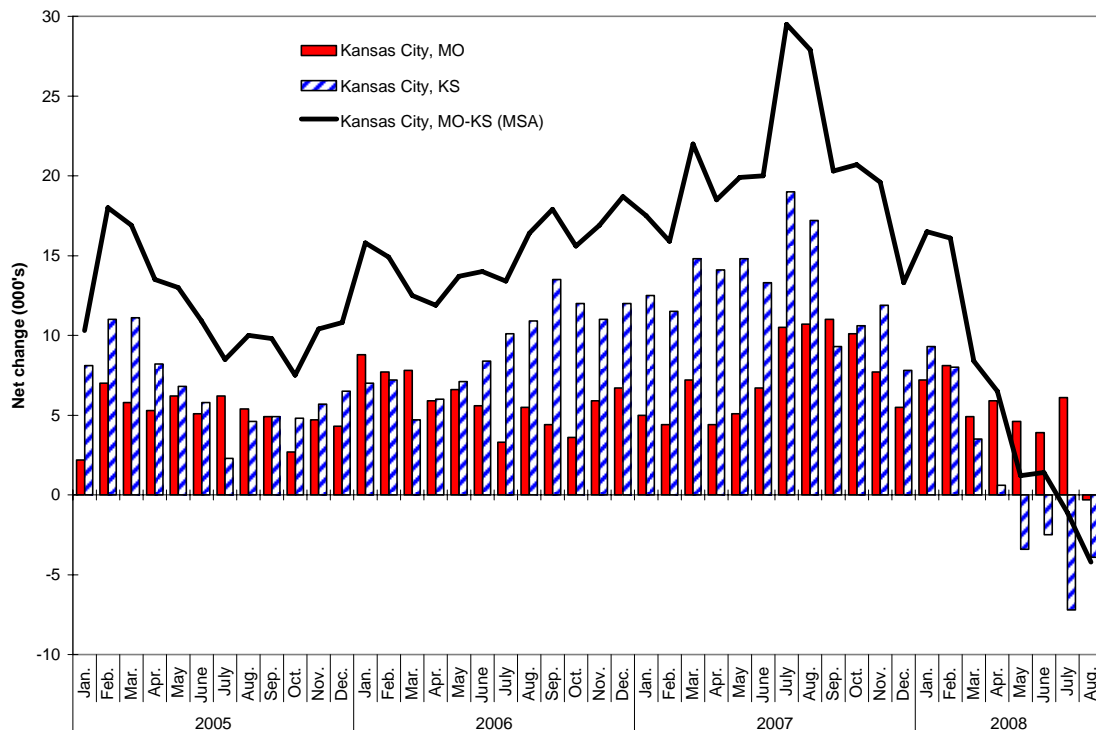
FOR RELEASE:  
 October 9, 2008

## KANSAS CITY AREA JOB COUNT DECLINES BY 4,200 OVER THE YEAR IN AUGUST 2008

Total nonfarm employment for the Kansas City, Mo.-Ks., Metropolitan Statistical Area (MSA) decreased by 4,200 over the year to 1,014,200 in August 2008, according to the Bureau of Labor Statistics of the U.S. Department of Labor. Regional Commissioner Stanley W. Suchman noted that this marked the second consecutive month of over-the-year job losses in the metropolitan area following 52 consecutive months of over-the-year job growth. The Kansas City MSA's 0.4-percent decline in employment was in line with the national decrease of 0.3 percent.

Employment in Kansas City's two separately identifiable employment centers—the Missouri portion of the MSA and the Kansas portion of the MSA—was down 0.1 and 0.9 percent, respectively, in August 2008. However, over-the-year job losses were heavily concentrated in the Kansas portion, down 3,900. (See chart A and table 1; Technical Note at end of release contains metropolitan area definitions. Data in this release are not seasonally adjusted; accordingly, analysis is based on over-the-year comparisons.)

**Chart A. Over-the-year net change in total nonfarm employment in the Kansas City metropolitan area and its components, January 2005 – August 2008**



In the Kansas City MSA, three industry supersectors lost 2,000 or more jobs from August 2007 to August 2008. Manufacturing dropped 5,200 jobs (-6.3 percent) recording its largest over-the-year decline since December 2002. The local rate of job loss in manufacturing was more than double the national rate of 3.0 percent. Kansas City's financial activities supersector lost 2,100 jobs and also declined at a faster-than-average pace (-2.8 percent locally versus -1.2 percent nationally) from August 2007. Natural resources, mining, and construction employment fell by 2,000 in the Kansas City metropolitan area, a 3.6-percent decrease from a year ago.

Two industry supersectors in the Kansas City MSA expanded by more than 1,500 jobs from August 2007 to August 2008. Over-the-year employment growth was led by the addition of 3,600 jobs in government, an increase of 2.5 percent. Nationally, this supersector grew more slowly at 1.2 percent. The education and health services supersector gained 1,700 jobs over the period. However, Kansas City's rate of job growth for education and health services was below that for the nation, 1.4 versus 3.2 percent. Locally, employment in the remaining five industry supersectors varied by less than 1,000 from August a year ago.

Employment in the Missouri portion of the MSA, which accounted for 56 percent of the Kansas City workforce in August 2008, was essentially unchanged over the year. Still, different industry supersectors reduced or added to their employment counts during this 12-month period. Manufacturing lost 3,900 jobs (-8.5 percent) and financial activities, 1,400 jobs (-3.3 percent) from August 2007. Offsetting these job losses, government increased by 1,600 jobs, or 1.8 percent, and education and health services gained 1,400 jobs, increasing 2.1 percent over the year. Two industry supersectors—leisure and hospitality and trade, transportation, and utilities—added close to 1,000 jobs. Employment in the remaining four industry supersectors recorded little or no change over the year.

The Kansas portion of the metropolitan area, which made up 44 percent of the Kansas City workforce, lost 3,900 jobs over the year. This is the fourth consecutive month of over-the-year job loss in total nonfarm employment in the Kansas portion of the MSA. Natural resources, mining, and construction lost the greatest number of jobs, down 2,200, or 9.4 percent. Leisure and hospitality shed 1,800 jobs (-4.7 percent) and manufacturing, 1,300 (-3.5 percent). In contrast, government expanded 3.6 percent with the addition of 2,000 jobs from August 2007 to August 2008. Employment in the remaining six industry supersectors in the Kansas portion varied by less than 1,000 over the year.

**Table 1. Employees on nonfarm payrolls by industry supersector, Kansas City metropolitan area and its components, not seasonally adjusted (numbers in thousands)**

Area and Industry	August 2007	June 2008	July 2008	August 2008(p)	Change from Aug 2007 to Aug 2008	
					Number	Percent
<b>United States</b>						
Total nonfarm	137,524	138,676	137,208	137,121	-403.0	-0.3
Natural Resources & Mining	743	777	791	807	64.0	8.6
Construction	7,912	7,421	7,461	7,468	-444.0	-5.6
Manufacturing	13,934	13,627	13,524	13,510	-424.0	-3.0
Trade, Transportation, & Utilities	26,614	26,474	26,367	26,320	-294.0	-1.1
Information	3,031	3,021	2,997	2,989	-42.0	-1.4
Financial Activities	8,363	8,274	8,281	8,259	-104.0	-1.2
Professional & Business Services	18,157	18,090	18,021	17,994	-163.0	-0.9
Education & Health Services	18,068	18,700	18,592	18,640	572.0	3.2
Leisure & Hospitality	14,108	14,251	14,329	14,254	146.0	1.0
Other Services	5,537	5,601	5,595	5,564	27.0	0.5
Government	21,057	22,440	21,250	21,316	259.0	1.2
<b>Kansas City, Mo.-Ks. Metropolitan Statistical Area (MSA)</b>						
Total nonfarm	1,018.4	1,026.1	1,014.7	1,014.2	-4.2	-0.4
Natural resources, mining & construction	55.4	53.5	53.7	53.4	-2.0	-3.6
Manufacturing	82.7	79.1	80.0	77.5	-5.2	-6.3
Trade, Transportation & Utilities	207.7	208.7	208.0	208.1	0.4	0.2
Information	42.4	42.0	42.0	41.9	-0.5	-1.2
Financial Activities	76.0	74.1	74.2	73.9	-2.1	-2.8
Professional & Business Services	150.1	151.9	150.3	150.9	0.8	0.5
Education & Health Services	118.8	120.3	120.3	120.5	1.7	1.4
Leisure & Hospitality	99.4	99.3	98.3	98.5	-0.9	-0.9
Other Services	42.2	42.3	42.4	42.2	0.0	0.0
Government	143.7	154.9	145.5	147.3	3.6	2.5
<b>Kansas City, Mo. portion</b>						
Total nonfarm	568.0	576.9	570.9	567.7	-0.3	-0.1
Natural resources, mining & construction	31.9	32.0	32.2	32.1	0.2	0.6
Manufacturing	45.9	43.4	44.4	42.0	-3.9	-8.5
Trade, Transportation & Utilities	110.9	112.3	112.0	111.7	0.8	0.7
Information	19.2	19.0	18.9	18.9	-0.3	-1.6
Financial Activities	42.5	41.1	41.2	41.1	-1.4	-3.3
Professional & Business Services	76.7	77.6	76.8	77.1	0.4	0.5
Education & Health Services	66.4	67.8	67.7	67.8	1.4	2.1
Leisure & Hospitality	60.9	62.0	61.4	61.8	0.9	1.5
Other Services	25.4	25.5	25.5	25.4	0.0	0.0
Government	88.2	96.2	90.8	89.8	1.6	1.8
<b>Kansas City, Ks. portion</b>						
Total nonfarm	450.4	449.2	443.8	446.5	-3.9	-0.9
Natural resources, mining & construction	23.5	21.5	21.5	21.3	-2.2	-9.4
Manufacturing	36.8	35.7	35.6	35.5	-1.3	-3.5
Trade, Transportation & Utilities	96.8	96.4	96.0	96.4	-0.4	-0.4
Information	23.2	23.0	23.1	23.0	-0.2	-0.9
Financial Activities	33.5	33.0	33.0	32.8	-0.7	-2.1
Professional & Business Services	73.4	74.3	73.5	73.8	0.4	0.5
Education & Health Services	52.4	52.5	52.6	52.7	0.3	0.6
Leisure & Hospitality	38.5	37.3	36.9	36.7	-1.8	-4.7
Other Services	16.8	16.8	16.9	16.8	0.0	0.0
Government	55.5	58.7	54.7	57.5	2.0	3.6

## Technical Note

This release presents nonfarm payroll employment estimates from the Current Employment Statistics (CES) program. The CES survey is a Federal-State cooperative endeavor in which State employment security agencies prepare the data using concepts, definitions, and technical procedures prescribed by the Bureau of Labor Statistics.

**Definitions.** Employment data refer to persons on establishment payrolls who receive pay for any part of the pay period which includes the 12th of the month. Persons are counted at their place of work rather than at their place of residence; those appearing on more than one payroll are counted on each payroll. Industries are classified on the basis of their principal activity in accordance with the 2007 version of the North American Industry Classification System.

**Method of estimation.** The employment data are estimated using a "link relative" technique in which a ratio (link relative) of current-month employment to that of the previous month is computed from a sample of establishments reporting for both months. The estimates of employment for the current month are obtained by multiplying the estimates for the previous month by these ratios. Small-domain models are used as the official estimators for approximately 39 percent of CES published series which have insufficient sample for direct sample-based estimates.

**Annual revisions.** Employment estimates are adjusted annually to a complete count of jobs, called benchmarks, derived principally from tax reports which are submitted by employers who are covered under state unemployment insurance (UI) laws. The benchmark information is used to adjust the monthly estimates between the new benchmark and the preceding one and also to establish the level of employment for the new benchmark month. Thus, the benchmarking process establishes the level of employment, and the sample is used to measure the month-to-month changes in the level for the subsequent months.

### Reliability of the estimates

The estimates presented in this release are based on sample survey, administrative data, and modeling and, thus are subject to sampling and other types of errors. Sampling error is a measure of sampling variability--that is, variation that occurs by chance because a sample rather than the entire population is surveyed. Survey data are also subject to nonsampling errors, such as those which can be introduced into the data collection and processing operations. Estimates not directly derived from sample surveys are subject to additional errors resulting from the special estimation processes used. The sums of individual items may not always equal the totals shown in the same tables because of rounding.

**Employment estimates.** Measures of sampling error are available for state CES data at the total nonfarm and supersector level and for metropolitan area CES data. Information on recent benchmark revisions for states is available at <http://www.bls.gov/sae/>.

**Area definitions.** The substate area data published in this release reflect the standards and definitions established by the U.S. Office of Management and Budget on November 20, 2007. A detailed list of the geographic definitions is available at <http://whitehouse.gov/omb/bulletins/fy2008/b08-01.pdf>.

**The Kansas City, Mo.-Ks. Metropolitan Statistical Area (MSA)** includes Bates, Caldwell, Cass, Clay, Clinton, Jackson, Lafayette, Platte, and Ray Counties in Missouri; Franklin, Johnson, Leavenworth, Linn, Miami, and Wyandotte Counties in Kansas.

**The Kansas City, Mo. portion** includes Bates, Caldwell, Cass, Clay, Clinton, Jackson, Lafayette, Platte, and Ray Counties in Missouri.

**The Kansas City, Ks. portion** includes Franklin, Johnson, Leavenworth, Linn, Miami, and Wyandotte Counties in Kansas.

**Additional information**

More complete information on the technical procedures used to develop these estimates and additional data appear in *Employment and Earnings*, which is available by subscription from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402 (telephone 202-512-1800).

Industry employment data for states and metropolitan areas from the CES program are also available in the above mentioned news releases and from the Internet at

<http://www.bls.gov/sae/>.